



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 10, 2000

C. Brandon Hall, Treasurer
People for Patty Murray - U.S. Senate Campaign
P. O. Box 3662
Seattle, WA 98124

RE: MUR 5008
People for Patty Murray -
U.S. Senate Campaign and
C. Brandon Hall, as treasurer

Dear Mr. Hall:

On May 5, 2000, the Federal Election Commission found that there is reason to believe People for Patty Murray - U.S. Senate Campaign ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(6)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Deborah Rice, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,



Darryl R. Wold
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

cc: The Honorable Patty Murray
173 Russell Senate Office Building
Washington, D.C. 20510

**FEDERAL ELECTION COMMISSION
FACTUAL & LEGAL ANALYSIS**

RESPONDENTS: People for Patty Murray - U.S. Senate Campaign
C. Brandon Hall, as treasurer

MUR: 5008

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires principal campaign committees of candidates for federal office to notify in writing either the Secretary of the Senate or the Commission, as appropriate, and the Secretary of State of the appropriate state, of each contribution totaling \$1,000 or more, received by any authorized committee of the candidate after the 20th day but more than 48 hours before any election. 2 U.S.C. § 434(a)(6)(A). The Act further requires notification to be made within 48 hours after the receipt of the contribution and to include the name of the candidate and office sought, the date of receipt, the amount of the contribution, and the identification of the contributor. *Id.* The notification of these contributions shall be in addition to all other reporting requirements. 2 U.S.C. § 434(a)(6)(B).

The General Election in the state of Washington was held on November 3, 1998. Pursuant to the Act, the People for Patty Murray - U.S. Senate Campaign and C. Brandon Hall, as treasurer ("the Committee"), were required to notify the Commission, in writing, of all contributions of \$1,000 or more received from October 15 through October 31, 1998, within 48 hours of their receipt. A review of the Committee's 1998 30 Day Post-General Report identified thirty-five contributions received between October 15 and October 31, 1998, of \$1,000 or more,

and totaling \$52,758.20 for which the Committee did not file or did not timely file 48-Hour Notices.¹

In addition to those thirty-five contributions, a review of an untimely filed 48 Hour Notice submitted by the Committee on November 18, fifteen days after the election, identified an additional ten contributions of \$1,000 or more, totaling \$10,000, that were received on October 30. The Committee's 30 Day Post General Report, filed on December 3, 1998, reflected a different receipt date, November 2, for these ten contributions. Based on the original receipt date reported by the Committee, it appears that the Committee may have failed to timely file the requisite 48-Hour Notice for these ten contributions as well.

A list of the contributions for which the Committee appears to have failed to file or to timely file 48-Hour Notices, together with the receipt dates of each contribution as reported in the 30 Day Post General Report and the November 18 Notice, where applicable, is attached.

On January 12, 1999, a Request for Additional Information ("RFAI") was sent to the Committee by the Reports Analysis Division ("RAD") based on RAD's review of the 30 Day Post-General Report. The RFAI noted that the Committee may have failed to file one or more 48-Hour Notices and requested that the Committee review its procedures for checking contributions received during the aforementioned time period. The Committee's February 5, 1999 response stated that "[t]he Campaign has reviewed the manner in which 48 Hour Reports were handled, and has made recommendations for the procedure in the future." The Committee did not describe these recommended procedures and the Committee's amended 30 Day Post-General Reports did not address this issue.

Therefore, there is reason to believe that the People for Patty Murray - U.S. Senate Campaign and C. Brandon Hall, as treasurer, violated 2 U.S.C. § 434(a)(6)(A) by failing to report

¹ An untimely filed 48 Hour Notice, received on November 18, 1998, includes some of these thirty-five contributions. In some cases, the Committee reported different receipt dates for the contributions on the 48 Hour Notice than it did in its 30 Day Post-General Report. In the case of these thirty-five contributions, however, either receipt date would have triggered the 48-Hour Notice reporting requirement.

SECRET

ATTACHMENT TO FACTUAL & LEGAL ANALYSIS

CONTRIBUTIONS FOR WHICH 48-HOUR NOTICES WERE NOT FILED OR WERE UNTIMELY FILED

Contributor	Amount	Receipt Date as Reported on 30-Day Post General Report	Receipt Date as Reported on 11/18/98 48-Hour Notice
AICPA EFFECTIVE LEGISLATIVE COMMITTEE PAC	\$ 2,258.20	10/29/1998	10/30/1998
AMERICAN DIETETIC ASSOCIATION PAC	\$ 1,000.00	11/02/1998	10/30/1998
AMERICAN VETERINARY MEDICAL PAC	\$ 1,000.00	11/02/1998	10/30/1998
ANNE BUGGE	\$ 1,000.00	10/21/1998	N/A
AT&T	\$ 1,000.00	10/30/1998	10/30/1998
BERNARD JAFFEE	\$ 1,000.00	10/30/1998	10/30/1998
BETTY WOODS	\$ 1,000.00	10/21/1998	N/A
BRIAN RATNER	\$ 1,000.00	10/29/1998	10/30/1998
BRISTOL-MYERS SQUIBB CO PAC	\$ 1,000.00	10/29/1998	10/30/1998
BROOK GLAEFKE	\$ 1,000.00	10/26/1998	10/30/1998
CHARLES HOLMES	\$ 1,000.00	11/02/1998	10/30/1998
CORNING INC. EMPLOYEES PAC	\$ 2,000.00	10/30/1998	10/30/1998
DAVID BLAND	\$ 1,000.00	10/30/1998	10/30/1998
DEALERS ELECTION ACTION CMTE OF THE AUTOMOBILE DEALERS ASSOCIATION	\$ 2,500.00	10/30/1998	10/30/1998
DEVORAH WEINSTEIN	\$ 1,000.00	10/30/1998	10/30/1998
ELIZABETH AITKEN	\$ 1,000.00	10/29/1998	10/30/1998
ERIC OSTROVSKY	\$ 1,000.00	10/26/1998	N/A
FOUNDATION HEALTH CORP	\$ 1,000.00	11/02/1998	10/30/1998
GORDON AMBACH	\$ 1,000.00	11/02/1998	10/30/1998
HEARTLAND PAC	\$ 1,000.00	11/02/1998	10/30/1998
HILARY ROSEN	\$ 1,000.00	11/02/1998	10/30/1998
HOBBS, STRAUSS, DEAN AND WALKER	\$ 1,000.00	10/22/1998	N/A
HUMANE WASHINGTON	\$ 1,000.00	10/29/1998	10/30/1998
INT'L LONGSHOREMEN'S ASSN PAC	\$ 2,000.00	10/22/1998	N/A
INT'L UNION OF OPERATING ENGINEERS	\$ 1,000.00	10/21/1998	N/A
INT'L UNION OF OPERATING ENGINEERS	\$ 1,000.00	10/23/1998	N/A
INVESTMENT MANAGEMENT PAC	\$ 4,000.00	10/30/1998	10/30/1998
J. P. MORGAN & CO INC PAC	\$ 2,500.00	10/21/1998	N/A
JAMES ANDERSON	\$ 1,000.00	10/30/1998	10/30/1998
JOHN ROCKEFELLER IV	\$ 1,000.00	10/30/1998	10/30/1998
LAURA YEDWAB	\$ 1,000.00	10/26/1998	10/30/1998
LOCKHEED MARTIN	\$ 1,000.00	10/26/1998	N/A

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Contributor	Amount	Receipt Date as Reported on 30-Day Post General Report	Receipt Date as Reported on 11/18/98 48-Hour Notice
LORAN KAUFMAN	\$ 1,000.00	10/29/1998	10/30/1998
MARY MORGAN	\$ 1,000.00	11/02/1998	10/30/1998
MERCK PAC	\$ 2,000.00	10/30/1998	10/30/1998
MICROSOFT CORPORATION PAC	\$ 3,500.00	10/30/1998	10/30/1998
MORTGAGE BANKERS PAC	\$ 1,000.00	10/29/1998	10/30/1998
NATIONAL UNITY CAUCUS TECUMSEH CLUB	\$ 1,000.00	11/02/1998	10/30/1998
PACIFIC COUNTY DEMOCRATS	\$ 1,000.00	11/02/1998	10/30/1998
RITE AID PAC	\$ 1,000.00	10/22/1998	N/A
SPOKANE TRIBE OF INDIANS	\$ 1,000.00	10/26/1998	N/A
ST. LOUISIANS FOR BETTER GOVT.	\$ 5,000.00	10/22/1998	N/A
WASHINGTON MUTUAL PAC	\$ 1,000.00	10/30/1998	10/30/1998
WEYEHAUSER	\$ 2,000.00	10/22/1998	N/A
WILLIAM COHEN	\$ 1,000.00	10/30/1998	10/30/1998
Total	\$ 62,758.20		